

Welcome

Neighborhood Assistance Program (NAP)

Program Purpose

- Established in 1981 by the Virginia General Assembly.
- Works to encourage businesses, trusts or individuals to donate directly to NAP approved 501(c) (3) or 501(c) (4) non-profit organizations.
- The NAP organization's primary function is providing services to a low-income person.

Allocation Process

- \$17 million in tax credits
 - \$8 million for general human services organizations
 - ✓ Administered by the Virginia Department of Social Services (VDSS)
 - \$9 million for education organizations
 - ✓ Administered by the Department of Education (DOE)
- Organizations are approved for 12-months
(July 1st – June 30th)

Applicants

- VDSS received 332 applications.
- Over \$41 million in tax credits requested.
- 329 organizations received an allocation of tax credits totaling \$7,993,300.
- 22 new applicants; 21 received an allocation of tax credits

Allocation

- Depending on the number of years in the program, the allocation for previous participants is based on the average number of tax credits used over a maximum of four years; a minimum of \$6,390 or the amount requested, whichever is less.
- New organizations received a maximum of \$4,800 in tax credits.

Request For Additional Tax Credits

VDSS allocates the available \$8 million in tax credits on July 1.

- Organizations may request additional tax credits after receiving donations that uses 75% of their initial allocation by sending an email to NAP@dss.virginia.gov. (A pledge does not count toward the 75% usage.)
 - Attach a copy of the supporting documentation to verify the 75% usage.
 - Limit the request to a maximum of \$10,000.
 - ✓ Only one request may be on file at any given time.
 - ✓ The request will be placed on a waiting list.
 - ✓ Tax credits will be reallocated on a first-come basis **IF** they become available.

Request For Additional Tax Credits

- Send an email to VDSS to release unused tax credits.
 - Released tax credits will be reallocated to other NAP organizations that are on the waiting list.

How the Program Works

- The donor makes a qualifying donation directly to the NAP organization and is offered NAP tax credits.
- The donor receives a NAP tax credit certificate.
- The donor claims NAP tax credits on their Virginia income tax return.

Program Rules and Regulations

Neighborhood Assistance Program

Program Rules

- All donations must be made **directly** to the approved NAP organization with no strings attached and without any conditions or expectation of monetary or other benefits from the NAP organization.
- Discounted property, partial donations, or bargain sales are not allowable for NAP tax credits.

Donation Limits

Business or Trust Donor

- Minimum donation amount must be at least \$616
- No maximum tax credit limit

Individual Donor

- Minimum donation amount must be at least \$500
- Maximum donation value for tax credits is \$125,000, per individual, per calendar year.

- Tax credits may be offered up to maximum of 65% of the value of the donation.
 - The donor must agree in writing if they are accepting a tax credit for less than 65% of the value of the donation.
- Five year carry forward
 - NAP tax credits for the current year are utilized first prior to using credits that have been carried forward from a preceding taxable year.

Qualifying Types of Donations

■ Business

- Cash
- Stock
- Merchandise
- Real Estate
- Rent Lease of Organization's Facility
- Professional Services
- Contracting Services
- Health Care Services
- Pharmaceutical Services
- Mediation Services
- Physician Specialist Services

■ Trust Donor

- Cash
- Stock
- Merchandise
- Real Estate
- Rent Lease of Organization's Facility

■ Individual Donor

- Cash
- Marketable Securities

Service Donations

Professional Services

Accounting
Actuarial Services
Architecture
Land Surveying
Law
Dentistry
Medicine
Optometry
Pharmacy
Professional Engineering
Veterinarian

Contracting Services

A business firm licensed by the Commonwealth of Virginia as a contractor may be eligible to receive tax credits for providing contracting services.

Development
Construction
Renovation
Repair

* Of organization's facility or homes of organization's clients.

Tax Credits are issued to the business donating the service.

Service Donations

Professional Services

Accounting
Actuarial Services
Architecture
Land Surveying
Law
Dentistry
Medicine
Optometry
Pharmacy
Professional Engineering
Veterinarian

- For time spent by the proprietor or partner, the hourly rate is the reasonable customary rate not to exceed \$125.
- For time spent by an employee of the company, the hourly rate is equal to the salary the employee is paid (excludes overhead & fringe benefits).

Service Donations

Contracting Services

A business firm licensed by the Commonwealth of Virginia as a contractor may be eligible to receive tax credits for providing contracting services.

Development
Construction
Renovation
Repair

Of organization's facility or homes of organization's clients.

- For time spent by the proprietor or partner, the hourly rate is the reasonable customary rate not to exceed \$50.
- For time spent by an employee of the company, the hourly rate is equal to the salary the employee is paid (excludes overhead & fringe benefits).

Service Donations

Health Care Services

Healthcare professionals providing services, without charge, to clients of a NAP organization with an on-site health care clinic.

Physicians
Nurse Practitioners
Pharmacists
Physician Assistants
Dentists
Optometrists
Chiropractors
Dental Hygienists
Nurses
Professional Counselors
Clinical Social Workers
Physical Therapists
Clinical Psychologist
Marriage & Family Therapists

Pharmaceutical Services

Mediation Services

Physician Specialist Services

A Pharmacist may be eligible to receive tax credits for donating services to 501 (c) (3) non-profit organizations at the direction of an approved NAP organization.

A Mediator certified by the Judicial Council of Virginia may be eligible to receive tax credits for donating services at the direction of an approved neighborhood organization that provides court-referred mediation services.

A Physician Specialist who donates specialty medical services to a patient referred from an approved neighborhood organization whose sole purpose is to provide specialty medical referral services to patients of participating clinics or federally qualified health centers.

Tax Credits are issued to the individual donating the service.

Service Donations

Health Care Services

Healthcare professionals providing services, without charge, to clients of a NAP organization with an on-site health care clinic.

Physicians
Nurse Practitioners
Pharmacists
Physician Assistants
Dentists
Optometrists
Chiropractors
Dental Hygienists
Nurses
Professional Counselors
Clinical Social Workers
Physical Therapists
Clinical Psychologist
Marriage & Family Therapists

Pharmaceutical Services

Mediation Services

Physician Specialist Services

A Pharmacist may be eligible to receive tax credits for donating services to 501 (c) (3) non-profit organizations at the direction of an approved NAP organization.

A Mediator certified by the Judicial Council of Virginia may be eligible to receive tax credits for donating services at the direction of an approved neighborhood organization that provides court-referred mediation services.

A Physician Specialist who donates specialty medical services to a patient referred from an approved neighborhood organization whose sole purpose is to provide specialty medical referral services to patients of participating clinics or federally qualified health centers.

For time spent by the healthcare professional, pharmacist, mediator or physician specialist the value shall be the reasonable hourly rate not to exceed \$125.

Value of Stock/ Marketable Securities

- The value of stock/marketable securities is the fair market value (the number of shares times the average of the high and low prices, or the mean price per share) on the date of transfer to the NAP organization.
- The date of the donation is the date the stock was transferred from the donor's account to the NAP organization's account.

Donated Merchandise

Business or Trust Donor

Merchandise/Goods donated to be used by the NAP organization

- The value must be determined in accordance with IRS Standards (Publication 561)
 - The value of donated inventory items is the actual book cost of the items, less any depreciated amount.

Donated Merchandise

Business or Trust Donor

Merchandise/Goods donated to be sold, auctioned or raffled (excludes vehicles)

- The donation value is the **LESSER** of the actual book cost of the item **OR** the actual proceeds received by the NAP organization.
 - The date of the donation is the date proceeds are received.

Rent/Lease Agreement

Business or Trust Donor

Rent/Lease of the NAP organization's facility

- **The donating business or trust must own the property.**
 - The Rent/Lease Agreement must include:
 - ✓ Name of property owner as listed on the recorded deed
 - ✓ Name of NAP organization
 - ✓ Time period donated
 - ✓ Square footage
 - ✓ Rental rate by square footage based on comparable rate for area
 - The donation of the NAP organization's facility must be for a minimum of six months; July – December or January – June.

Real Estate

Business or Trust Donor

- **The donating business or trust must own the property.**
 - A copy of current appraisal by licensed appraiser must be submitted to VDSS.
 - A copy of the recorded deed of transfer must be submitted to VDSS.

General Program Tips

- NAP tax credits are best used to generate new donations or increase the size of donations.
- Making a donation does not automatically qualify a donor for tax credits.
- It may be helpful to explain the impact tax credits have on a donor's income tax.

VA Gross Income	\$72,000
VA Taxable Income	\$62,770
Tax Liability	\$3,351

VA Gross Income	\$50,000
VA Taxable Income	\$40,160
Tax Liability	\$2,051

VA Gross Income	\$72,000
VA Taxable Income	\$62,770
Tax Liability	\$3,351
NAP Credit	\$1,300
Adjusted Tax Liability	\$2,051

Household #1



Household #2



Household #3



\$2,000 Donation
\$1,300 Tax Credit

Completing Forms and Documents

Neighborhood Assistance Program

Contribution Notification Forms (CNF)

There are six types of CNFs

- CNF-A: Business Donations
- CNF-B: Health Care Services
- CNF-C: Professional Services
- CNF-D: Contracting Services
- CNF-E: Individual or Trust Donations
- CNF-H: Pharmaceutical, Mediation or Physician Specialist Services

CNF-E - Individual or Trust Donations

- Individual donations of cash or marketable securities.
- Trust Donations of cash, stock, merchandise, real estate or rent lease of the organization's facility.

NEIGHBORHOOD ASSISTANCE PROGRAM CONTRIBUTION NOTIFICATION FORM E (CNF-E) To be used for all donations from an Individual or a Trust for the period July 1, 2020 June 30, 2021 PART I: TO BE COMPLETED BY DONOR (TYPE or PRINT ONLY)	
1. Tax ID # (Provide only one SSN or EIN):	SSN: <input type="text"/> EIN: <input type="text"/> Use Fed. I.D. for Trust, if applicable
2. Is the donation from a Trust?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Name of Trust, if applicable:	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. (check one)
4. Name of Trustee, if applicable: (use one name only)	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. (check one)
5. Name of Individual: (Provide the legal name of the donor associated with Tax ID # if the name is not listed above):	<input type="text"/>
6. Mailing Address: Street: <input type="text"/> City, State, Zip: <input type="text"/>	
7. Telephone Number With Area Code: <input type="text"/>	
8. Type of Donation for an Individual:	<input type="checkbox"/> Cash <input type="checkbox"/> Marketable Securities
Each donation type requires a separate CNF and each form must meet the minimum requirement of \$500.	
9. Type of Donation for a Trust:	<input type="checkbox"/> Cash <input type="checkbox"/> Stock <input type="checkbox"/> Merchandise <input type="checkbox"/> Real Estate <input type="checkbox"/> Rent/Lease of the Organization's Facility
Each donation type requires a separate CNF and each form must meet the minimum requirement of \$616.	
10. Date(s) of Donation:	First Donation Date: (mm/dd/yyyy) <input type="text"/> Last Donation Date: (mm/dd/yyyy) <input type="text"/> If multiple donations are attached, enter the first and last date of donation.
A separate form must be completed for donations made between July 1 and December 31 or between January 1 and June 30.	
11. Value of Donation: (minus any goods or services received in return for the donation)	\$ <input type="text"/> The minimum donation value must be at least \$500, but no more than \$125,000 in a taxable year for an individual or \$616 for a trust.
12. If line 11, is less than the amount listed on the check, charge, etc. enter the FMV of any goods or services that were received.	\$ <input type="text"/> Write zero (0) if no goods or services were received.
13. Percent of Tax Credit offered:	<input type="text"/> % The maximum allowable tax credit equals 65%.
The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation.	
PART II: CERTIFICATION BY DONOR	
I certify that the above information is accurate and describes a donation made to the Neighborhood Assistance Organization. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.	
Date: <input type="text"/>	Signature of Donor: <input type="text"/>
PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (TYPE or PRINT ONLY)	
I certify that the above individual or trust has made the donation indicated above to this organization and I have documentation supporting the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.	
Organization Name as listed on the Certificate of Approval	Project ID # as listed on the Certificate of Approval
Mailing Address: (Street, City, State, Zip Code)	Telephone Number (Include Area Code)
Date (mm/dd/yyyy)	Name and Title of NAP Designee
Signature	

Business Donations – CNF-A

Donations include:

- Cash
- Stock
- Merchandise/Goods
- Real Estate
- Rent/Lease Of the Organization's Facility

CONTRIBUTION NOTIFICATION FORM A (CNF-A)
July 1, 2020 – June 30, 2021

To be used for all **Business** donations of cash, stock, merchandise, real estate or rent/lease of the organization's facility

PART I: TO BE COMPLETED BY DONOR (TYPE or PRINT ONLY)

1. Tax ID #: (Provide only one SSN or EIN #) 2. Name of Donating Business: (Provide the legal name of the business associated with Tax ID #) 3. Contact Person: (Full Name) 4. Mailing Address: _____ Street: _____ City, State, Zip: _____ 5. Telephone Number with Area Code: _____ 6. Business Type: (Refer to the instructions on the back of the form)	EIN: _____ SSN: _____ A Sole Proprietor must use SSN #. A Sole Proprietor must file IRS Schedule C or F for a business. ___ Mr. ___ Ms. ___ Mrs. ___ Dr. (check one) ___ ___ ___ Corporation ___ S-Corp <input type="checkbox"/> LC ___ LP ___ LLP ___ PLC ___ PLLC ___ PC ___ PA ___ Partnership ___ Sole Proprietor (Sole Proprietor must file IRS Schedule C or F) ___ Cash ___ Stock ___ Merchandise ___ Real Estate ___ Rent/Lease of the organization's facility
7. Business Structure:	
8. Donation Type:	
Each donation type requires a separate CNF and each form must meet the minimum \$616 donation requirement. The value of merchandise donated to be sold, auctioned or raffled is the <u>lesser</u> of the actual book cost of the item or the proceeds received by the NAP organization. Exception for vehicles. (Refer to instructions on back).	
9. Date(s) of Donation:	
10. Value of Donation: (minus any goods or services received in return for the donation)	
11. If line 10, is less than the amount listed on the check, charge, etc. enter the FMV of any goods or services that were received.	
12. Percent of Tax Credit Offered:	
The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation. NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.	
PART II: CERTIFICATION BY DONOR I certify that the value of the donation was determined in accordance with IRS standards or the exceptions listed in the instructions. I also certify that the above information is accurate and describes a donation made to the Neighborhood Assistance Organization. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.	
Date _____ Signature of Business Designee _____	
PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (TYPE or PRINT ONLY) I certify that the above business has made the donation indicated above to this organization and I have documentation supporting the value of the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.	
Organization Name as listed on the Certificate of Approval _____ Project ID # as listed on the Certificate of Approval _____	
Mailing Address: (Street, City, State, Zip Code) _____ Telephone Number (Include Area Code) _____	
Date (mm/dd/yyyy) _____ Name and Title of NAP Designee _____ Signature _____	

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**Virginia Department of Social Services (VDSS)
Neighborhood Assistance Program**

Tax Credit Percentage Agreement Form

Beginning with Donations made on or after January 1, 2015

Under §§ 58.1-439.21 and 58.1-439.24 of the *Code of Virginia*, individual and business firm donors may, by written agreement, accept a lesser tax credit percentage from a neighborhood organization for any otherwise qualified donation the donor has made.

The donor must complete the table below if accepting a reduced Neighborhood Assistance Tax Credit percentage. This form must be submitted with the Contribution Notification Form (CNF) to the Department of Social Services in order to be issued a tax credit for a reduced percentage. The Department will not approve a tax credit for a reduced percentage without a copy of this agreement form.

Donor's Name:	
Organization that received the donation:	
Enter the donation value as reported on CNF:	\$
Enter the Reduced Tax Credit Percentage (Example: for a 50% tax credit, enter .50):	%
Tax credit amount:	\$

I, the above donor, certify that I agree to the reduced tax credit percentage provided above and that the above donation value and tax credit amount are accurate. I understand that this information will be shared with the Department of Taxation and the Department of Education for purposes of administering the *Neighborhood Assistance Act Tax Credit* program, and that failure to provide this information may limit my ability to claim the tax credit. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Department of Taxation.

Date

Printed Name

Signature

Supporting Documentation

- An invoice listing all of the merchandise donated and the business cost of each item as defined in IRS Publication 561.
Also include a copy of:
 - Certification of Donation Value form
 - Certification of Proceeds Received form, if the merchandise is sold, auctioned or raffled.
- A copy of the appraisal & recorded deed for donated real estate.
- A copy of the Rent/Lease agreement for donated lease of the organization's facility.

**VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)
NEIGHBORHOOD ASSISTANCE PROGRAM**

CERTIFICATION OF DONATION VALUE

Required for all donations of merchandise

Inventory items being donated must be valued at the **lesser** of their fair market value (FMV), **minus** any gain that would have been realized if the item had been sold at its FMV on the date of the donation or its cost basis. **Items must be owned by the donor business.**

If the donated item has been fully expensed or depreciated by the business, the cost basis is zero and not eligible for a NAP tax credit. If the item has been partially expensed, the value would be the remaining cost basis.

DONOR CERTIFICATION:

I certify that the donated item(s) is valued at my current actual cost basis (book cost) of \$_____.

A deduction for all manufacturer rebates on new vehicles (if applicable) is included in the above amount.

Name of Business:	
Name and Title of Business Designee:	
Name of NAP Organization:	

Date

Signature of Business Designee

This form and a detailed list of the donated goods, including itemized cost basis value, must be attached to Contribution Notification Form A (CNF-A).

Health Care Services – CNF-B

The NAP organization must operate an on-site health care clinic.

Health Care Services are limited to:

- Physician
- Pharmacist
- Dentist
- Chiropractor
- Physician Assistant
- Nurse Practitioner
- Optometrist
- Dental Hygienist
- Nurse
- Professional Counselor
- Clinical Social Worker
- Clinical Psychologist
- Marriage and Family Therapist
- Physical Therapist

NEIGHBORHOOD ASSISTANCE PROGRAM CONTRIBUTION NOTIFICATION FORM B (CNF-B)

July 1, 2020 – June 30, 2021

For Use by Medical Professional providing certain Health Care Services to a NAP Organization with an onsite health care clinic
(SEE BACK FOR INSTRUCTIONS BEFORE COMPLETING)

Donations must be made directly to the approved NAP organization with no strings attached and without any conditions or expectation of monetary or other benefits from the NAP organization.

PART I: TO BE COMPLETED BY DONOR (TYPE OR PRINT ONLY)

1. Tax ID #: (Provide only one SSN)	SSN: _____
2. Name of Donor: (Provide the legal name of the donor associated with the Tax ID #)	____ Mr. ____ Ms. ____ Mrs. ____ Dr. (check one)
Street:	_____
3. Mailing Address: City, State, Zip:	_____
4. Telephone Number With Area Code:	_____
5. Type of Medical Professional:	Refer to the instructions on the back of the form.
6. Services Donated at:	____ Clinic ____ Office ____ Other ____ If other, please specify where services were donated.
7. Date(s) of Donated Health Care Services:	First Donation Date: (mm/dd/yyyy) ____ Last Donation Date: (mm/dd/yyyy) ____ If multiple dates of services are donated, enter the first and last date of donation.
A separate form must be completed for donations made between July 1 and December 31 or between January 1 and June 30. The minimum donation requirement of \$616 must be met for each six-month period.	
8. Value of Donated Services:	\$ ____ The minimum donation value must be at least \$616.
The value of donated services cannot exceed the lesser of the reasonable cost for similar services from other providers or \$125 per hour. The Services Contribution Data Sheet must be submitted as supporting documentation.	
9. Percent of Tax Credit Offered:	____ % The maximum allowable tax credit equals 65%.
The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation.	
NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.	

PART II: CERTIFICATION BY MEDICAL PROFESSIONAL

I certify that the value of the donated service(s) was determined by the standards stated in the instructions and does not exceed the statutory maximum. I also certify I will not receive any type of compensation or reimbursement from medical insurance filing or from my company for the donated service(s) nor will my company receive any compensation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.	
Date	Signature of Donor

PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (TYPE OR PRINT ONLY)

I certify that the above health care professional has made the donation indicated above to this organization and I have documentation supporting the value of the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.		
Organization Name as listed on the Certificate of Approval	Project ID # as listed on the Certificate of Approval	
Mailing Address: (Street, City, State, Zip Code)	Telephone Number (Include Area Code)	
Date (mm/dd/yyyy)	Name and Title of NAP Designee	Signature

Services Contribution Data Sheet

The donor must complete the Services Contribution Data Sheet for donated all donates service types. There is a different form depending on the type of services donated.

Commonwealth of Virginia
Department of Social Services

Neighborhood Assistance Program Services Contribution Data Sheet

(To be completed and submitted with the CNF-B or CNF-H)

To Be Used For Donated Medical Professional & Mediation Services
(Use Additional Sheet of Paper if Necessary)

NAME OF DONOR:	
ADDRESS:	
TYPE OF SERVICE PROVIDED:	
NAME OF NAP ORGANIZATION:	

JOB TITLE	DATE (List each date separately)	HOURLY RATE (excludes fringes)	TOTAL HOURS WORKED	TOTAL VALUE (Rate x Hours)

NOTE: Other formats providing the same information will be accepted. Sign and attach this form to the CNF or other format and return to the NAP Organization.

CERTIFICATION BY MEDICAL PROFESSIONAL: I certify that the value of the donated service(s) was determined by the standards stated in the instructions and does not exceed the statutory maximum. I also certify I will not receive any type of compensation or reimbursement from insurance filing or from my company for the donated service(s) nor will my company receive any compensation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.

Date

Signature of Donor

Professional Services – CNF-C

NEIGHBORHOOD ASSISTANCE PROGRAM CONTRIBUTION NOTIFICATION FORM C (CNF-C)

To be used for all donations of **Professional Services** for the period July 1, 2020 – June 30, 2021
(SEE BACK FOR INSTRUCTIONS BEFORE COMPLETING)

Donations must be made **directly** to the approved NAP organization with no strings attached and without any conditions or expectation of monetary or other benefits from the NAP organization. Discounted property, partial donations or bargain sales are not allowable for NAP tax credits.
PART I: TO BE COMPLETED BY DONOR (TYPE or PRINT ONLY)

Professional Services are limited to:

- Accounting
- Actuarial Services
- Architecture
- Land Surveying
- Law
- Dentistry
- Medicine
- Optometry
- Pharmacy
- Professional Engineer
- Veterinarian

- The donor must complete the Services Contribution Data Sheet for donated business staff time for professional & contracting services.

1. Tax ID #: (Provide only one SSN or EIN #)	EIN: _____ SSN: _____ <small>A Sole Proprietor must use SSN #. A Sole Proprietor must file IRS Schedule C or F for a business.</small>
2. Name of Donating Business: (Provide the legal name of the business associated with the Tax ID #)	_____ _____ Mr. _____ Ms. _____ Mrs. _____ Dr. (check one)
3. Contact Person: (Full Name)	_____
4. Mailing Address: Street: _____ City, State, Zip: _____	_____ _____
5. Telephone Number With Area Code:	_____
6. Business Type: (Refer to the instructions on the back of the form)	_____ _____ Corporation _____ S-Corp _____ LLC _____ LP _____ LLP _____ PLC _____ PLLC _____ PC _____ PA _____ Partnership _____ Sole Proprietor <small>(Sole Proprietor must file IRS Schedule C or F)</small>
7. Business Structure:	_____
8. Type of Professional Service:	Refer to the instructions on the back of the form.
9. Date of Donation:	First Donation Date: (mm/dd/yyyy) _____ Last Donation Date: (mm/dd/yyyy) _____ If multiple dates of services are provided, enter the first and last date of donation.
10. Value of Donation:	\$ _____ The minimum donation value must be at least \$615. For professional services donated by the proprietor or a partner or member, the value shall not exceed the lesser of the reasonable cost for similar services from other providers or \$125 per hour. For services donated by a salaried employee of the business, the value is the salary (excludes fringe benefits) that such employee was actually paid while rendering the service.
11. Percent of Tax Credit Offered:	_____ % The maximum allowable tax credit equals 65%. The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation. NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax adviser.

PART II: CERTIFICATION BY DONOR
 I certify that the above information is accurate and describes a donation of professional services made to the Neighborhood Assistance Organization listed below. I also certify that the listed value of the donation does not exceed statutory limits. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.
 Date: _____ Signature of Business Donor: _____

PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (TYPE or PRINT ONLY)
 I certify that the above business has made the donation indicated above to this organization and I have documentation supporting the value of the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.
 Organization Name as listed on the Certificate of Approval: _____ Project ID # as listed on the Certificate of Approval: _____
 Mailing Address: (Street, City, State, Zip Code) _____ Telephone Number (include Area Code) _____

Contracting Services – CNF-D

- The business firm must be licensed by the Commonwealth of Virginia as a contractor.
- The donation must be specifically for the development, construction, renovation, or repair of homes of impoverished people or buildings used by an approved NAP organization.
- The donor must complete the Services Contribution Data Sheet for donated business staff time for professional & contracting services

Donations must be made **directly** to the approved NAP organization with no strings attached and without any conditions or expectation of monetary or other benefits from the NAP organization. Discounted property, partial donations or bargain sales are not allowable for NAP tax credits.
PART I: TO BE COMPLETED BY DONOR (1Yr or 10Yr ONLY)

1. Tax ID #: (Provide only one SSN or EIN)	EIN: <input type="text"/> SSN: <input type="text"/> A Sole Proprietor must use SSN #. A Sole Proprietor must file IRS Schedule C or F for a business.
2. Name of Donating Business: (Provide the legal name of the business associated with the Tax ID #)	Must be licensed by the Commonwealth of Virginia as a contractor
3. Contact Person: (Full Name)	Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> (check one)
4. Mailing Address: Street: <input type="text"/> City, State, Zip: <input type="text"/>	
5. Telephone Number With Area Code: <input type="text"/>	
6. Business Type: (Must be a licensed contractor)	
7. Business Structure:	<input type="checkbox"/> Corporation <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> LP <input type="checkbox"/> LLP <input type="checkbox"/> PLC <input type="checkbox"/> LLC <input type="checkbox"/> PC <input type="checkbox"/> PA <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor (Sole Proprietor must file IRS Schedule C or F)
8. Type of Contracting Services	<u>Contracting services provided by a licensed contractor.</u> Refer to the instructions on the back of the form.
9. Date of Donation:	First Donation Date: (mm/dd/yyyy) <input type="text"/> Last Donation Date: (mm/dd/yyyy) <input type="text"/> If multiple dates of services are donated, enter the first and last date of donation.
10. Value of Donation:	\$ <input type="text"/> The minimum donation value must be at least \$816. For contracting services donated by the proprietor or a partner or member, the value shall not exceed the lesser of the reasonable cost for similar services from other providers or \$50 per hour. For services donated by a salaried employee of the business, the value is the salary (exclusive fringe benefits) that such employee was actually paid while rendering the service.
11. Percent of Tax Credit Offered:	<input type="text"/> % The maximum allowable tax credit equals 65%. The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation. NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.

PART II: CERTIFICATION BY DONOR

I certify that the above information is accurate and describes a donation of contracting services made to the Neighborhood Assistance Organization listed below. I also certify that the listed value of the donation does not exceed statutory limits. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.

Date:

Signature of Business Proprietor:

PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (1Yr or 10Yr ONLY)

I certify that the above business has made the donation indicated above to this organization and I have documentation supporting the value of this donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.

Organization Name as listed on the Certificate of Approval

Project ID # as listed on the Certificate of Approval

Mailing Address: (Street, City, State, Zip Code)

Telephone Number (Include Area Code)

State:

County:

City:

002-27-0004-03-eng

Revised 05/20

Pharmaceutical, Mediation or Physician Specialist Services – CNF-H

- A Pharmacist may be eligible to receive tax credits for donating services to 501 (c) (3) non-profit organizations at the direction of an approved NAP organization.
- A Mediator certified by the Judicial Council of Virginia may be eligible to receive tax credits for donating services at the direction of an approved neighborhood organization that provides court-referred mediation services.
- A Physician Specialist who donates specialty medical services to a patient referred from an approved neighborhood organization whose sole purpose is to provide specialty medical referral services to patients of participating clinics or federally qualified health centers.
- A separate services contribution data sheet must be completed for each donor.

Virginia Department of Social Services
NEIGHBORHOOD ASSISTANCE PROGRAM
CONTRIBUTION NOTIFICATION FORM - H (CNF-H)

July 1, 2020 – June 30, 2021

To be used by a **Pharmacist** providing pharmaceutical services to a 501(c)(3) clinic at the direction of an approved organization, **Mediator** providing services at the direction of an approved organization that provides court referred mediation services, **Physician Specialist** donating specialty medical services to patients who are referred from an approved organization whose sole purpose is providing specialty medical referral services. (Review the instructions on the back of the form before completing)

PART I: TO BE COMPLETED BY THE DONOR (PHYSICIAN OR PHARMIST ONLY)

1. Tax ID # (Provide only one SSN #):	SSN: <input type="text"/>
2. Name of Donor (Provide the legal name of the donor associated with the Tax ID #):	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. (check one)
3. Mailing Address: City, State, Zip:	Street: <input type="text"/> City, State, Zip: <input type="text"/>
4. Telephone Number With Area Code:	<input type="text"/>
5. Type of Professional:	Refer to the instructions on the back of the form. Print Donation Date: (mm/dd/yyyy) <input type="text"/>
6. Date(s) of Donated Services:	Last Donation Date: (mm/dd/yyyy) <input type="text"/> If multiple dates of services are donated, enter the first and last date of donation.
A separate form must be completed for donations made between July 1 and December 31 or between January 1 and June 30. The minimum donation requirement of \$616 must be met for each six-month period.	
7. Value of donated services:	\$ <input type="text"/> The minimum donation value must be at least \$616. The value of donated services cannot exceed the lesser of the reasonable cost for similar services from other providers or \$125 per hour. The Services Contribution Data Sheet must be submitted as supporting documentation.
8. Percent of Tax Credit Offered:	<input type="text"/> % The maximum allowable tax credit equals 65%.
The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation.	

NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.

PART II: CERTIFICATION BY PHARMACIST, MEDIATOR, OR PHYSICIAN SPECIALIST

I certify that the value of the donated service(s) was determined by the standards stated in the instructions and does not exceed the statutory maximum. I also certify I will not receive any type of compensation or reimbursement for the donated service(s). I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the Virginia Department of Social Services.

Date: Signature of Donor:

PART III TO BE COMPLETED BY THE NAP ORGANIZATION (PHYSICIAN OR PHARMIST ONLY)

I certify that the above professional fee made the donation indicated above to this organization and I have documentation supporting the value of the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.

Organization Name as listed on the Certificate of Approval	Printed ID # as listed on the Certificate of Approval
Mailing Address: (Street, City, State, Zip Code)	Telephone Number (include Area Code)
Date	Name and Title of NAP Designee
Signature	

Tips for Completing CNFs

Neighborhood Assistance Program

Tips for Completing CNFs

- The forms were created in a FILLABLE Word format. Open the document in Word and click on Save As to save the document to your computer.
- There are detailed instructions on the back of each Contribution Notification Form (CNF).
- The NAP organization receives a new Project ID (Application ID) each year.
 - The project (application) ID ends in 20 for the July 1, 2020– June 30, 2021 program period.
- The name listed on the CNF must match the name listed on the supporting documentation.

Tips for Completing CNFs

- A separate CNF form is required for each type of donation and each form must meet the minimum donation value.
- A separate CNF-E is required for each six-month period for donations made by an individual or trust. (July 1 – December 31) or (January 1 – June 30).
- A separate CNF-B or CNF-H is required for each six-month period for donations of health care services, pharmaceutical services, mediation services or physician specialist services. (July 1 – December 31) or (January 1 – June 30).

Tips for Completing CNFs

- The donor completes Part I and II of the CNF and returns the form to the NAP organization to review.
- The designee at the NAP organization reviews Part I and II; completes and signs Part III of the CNF.
 - Ensures that all forms requiring a signature have been signed and dated.
 - Ensures that the writing on all forms is clear and legible.
 - Ensures all the supporting documentation is included.

Tips for Submitting CNFs

- The NAP organization enters the donation online and uploads the CNF and supporting documentation.
- The CNF Reference Sheet gives details of the required documentation.

**Contribution Notification Form (CNF)
Reference Sheet**

FORM	TYPE OF DONATION	DOCUMENTATION REQUIRED TO BE SUBMITTED WITH THE ORIGINAL CNF
Tax Credit Percentage Agreement Form	All donations types	→ Tax Credit Percentage Agreement form if the donor is accepting tax credits for less than 65 percent of the value of the donation.
CNF-A Business Donation Sole Proprietor must use SSN #	Monetary Business name listed on the check must match the name listed on the CNF, and the check must be payable to the NAP organization.	→ A copy of the check. → A copy of a receipt to demonstrate a credit card charge and the credit card authorization form, if applicable. → Payroll transaction records.
	Stock	→ A copy of a letter or statement from the brokerage firm or bank listing the name of the donor, type of stock, number of shares, the value, the name of the NAP organization and date of transfer. Note: The value of stock is the fair market value (the number of shares times the average of the high and low prices, or the mean price per share) on the date of transfer to the NAP organization.
	Motor Vehicle donated by a dealership The contribution amount is based on IRS regulations for donated inventory (actual business cost).	→ A copy of the dealer invoice listing actual business cost. → A copy of the Bill of Sale showing the donation was made to the NAP organization. → <u>Confirmation of Donation Value Form</u> must be completed by the business verifying the value is the actual business cost. → A copy of the title showing the transfer to the NAP organization after the vehicle has been registered with the Department of Motor Vehicles (DMV).
	Motor Vehicle donated by another company to be used by the NAP organization If the vehicle has been fully expensed/depreciated, the contribution value is zero (\$0) and not eligible for NAP tax credits. If partially expensed, the remaining value is used as the donation amount.	→ A copy of the title or registration showing the vehicle was owned by the donor business. → A copy of the title showing the transfer to the NAP organization after the vehicle has been registered with the DMV. → <u>Confirmation of Donation Value Form</u> must be completed by the business verifying the value is the actual/remaining business cost.
	Other Merchandise/Good to be used by the NAP organization (Excludes vehicles - see above references for donated vehicles) (Tangible items) If the item has been fully expensed/depreciated, the contribution value is zero (\$0) and not eligible for NAP tax credits. If partially expensed, the remaining value is used as the donation amount.	→ A copy of an invoice or a written statement on company letterhead from the donating business listing each item donated, the value of each item based on IRS guidelines for donated inventory (actual business cost), and the date the donation occurred. → <u>Confirmation of Donation Value Form</u> must be completed by the business verifying the value is the actual/remaining business cost.
	Other Merchandise/Good to be sold, auctioned or raffled (Excludes vehicles - see above references for donated vehicles) If the item has been fully expensed/depreciated, the contribution value is zero (\$0) and not eligible for NAP tax credits. If partially expensed, the value is the lesser of remaining business cost or the proceeds received by the approved organization. The date proceeds are received must be used as the date of donation.	→ A copy of an invoice or a written statement on company letterhead from the donating business listing each item donated, the value of each item based on IRS guidelines for donated inventory (actual business cost), and the date the donation occurred. → <u>Confirmation of Donation Value Form</u> must be completed by the business verifying the value is the actual/remaining business cost. → <u>Confirmation of Proceeds Received Form</u> must be completed by the approved NAP organization verifying the amount of proceeds received.
	Real Estate	→ A copy of a current appraisal of the property by a licensed appraiser (within the past six months). → A copy of the recorded Deed of Transfer showing the date of donation to the NAP organization.
	Kennel/Lodge Facility of the Organization's Facility	→ A copy of the Kennel/Lodge agreement between the property owner and the NAP organization, listing the donation dates and monthly rental rate by square footage based on comparable rate of similar space.

Note: The donation must be for a minimum of six months.

Reference Sheet

FORM	TYPE OF DONATION	DOCUMENTATION REQUIRED TO BE SUBMITTED WITH THE ORIGINAL CNF
CNF-B	Health Care Professionals providing qualifying health care services for a NAP approved clinic Does your organization operate an on-site Health Care Clinic? If YES - Complete CNF-B If NO - DO NOT USE CNF-B Refer to the instructions on the back of the CNF-B and Donor Fact Sheet for guidelines on qualifying health care professional services.	→ A copy of the <u>Services Contribution Data Sheet for Medical Professional Services</u> or a spreadsheet listing the name of the individual providing the service, type of service provided, job title, dates of donation, hourly rate, total hours worked, and total value for services. → The Certification by Medical Professional on the Services Contribution Data Sheet must be signed by the donor and attached to each spreadsheet. Note: A separate form must be completed for donations made between July 1 and December 31 or between January 1 and June 30. The minimum donation requirement of \$616 must be met for each six-month period.
CNF-H	Pharmacist Providing qualifying pharmaceutical services to a 501(c)(3) free clinic at the direction of a NAP organization. Physician Specialist Providing specialty medical services to patients who are referred from a NAP organization whose sole purpose is providing specialty medical referral services to patients of participating clinics or federally qualified health centers regardless of where the specialty medical services are delivered. Mediator Providing services at the direction of a NAP organization that provides court referred mediation services. Refer to the instructions on the back of the CNF-H and Donor Fact Sheet for guidelines on qualifying pharmaceutical, physician specialist, or mediation services.	→ A copy of the <u>Services Contribution Data Sheet for Pharmaceutical Services or Physician Specialist Services</u> or a spreadsheet listing the name of the individual providing the service, name, address and telephone number of the clinic where services were provided, dates of donation, hourly rate, total hours worked, and total value for services. → A copy of the <u>Services Contribution Data Sheet for Mediation Services</u> or spreadsheet listing the name of the individual providing the service, type of service provided, job title, dates of donation, hourly rate, total hours worked, and total value for services. → The Certification on the Services Contribution Data Sheet must be signed by the donor and attached to each spreadsheet. Note: A separate form must be completed for donations made between July 1 and December 31 or between January 1 and June 30. The minimum donation requirement of \$616 must be met for each six-month period.
CNF-C	Professional Services Refer to the instructions on the back of the CNF-C and Donor Fact Sheet for guidelines on qualifying professional services.	→ A copy of the <u>Services Contribution Data Sheet for Professional Services</u> or spreadsheet listing the business name, contact person, job title of the individual providing the service, type of service provided, dates of donation, hourly rate, total hours worked and total value for services. → The Certification by Business Donor on the Services Contribution Data Sheet must be signed by the donor and attached to each spreadsheet.
CNF-D	Contracting Services Refer to the instructions on the back of the CNF-D and Donor Fact Sheet for guidelines on qualifying contracting services.	→ A copy of the <u>Services Contribution Data Sheet for Contracting Services</u> or spreadsheet listing the business name, contact person, job title of the individual providing the service, type of service provided, dates of donation, hourly rate, total hours worked and total value for services. → The Certification by Business Donor on the Services Contribution Data Sheet must be signed by the donor and attached to each spreadsheet.

Common Mistakes

- No supporting documentation attached to the online entry.
- The donor's name does not match the supporting documentation.
- The donation is from the executive director and he/she also signed as the NAP designee.
- A credit card receipt is attached that has no identifying information.
 - A Credit Card Authorization form must be submitted with a copy of the receipt.

Common Mistakes

- The donor or the NAP organization designee did not sign the CNF.
- The organization reduced the value of the donation listed on the CNF (donor form) to offer the donor a larger tax credit percentage.
 - Reduce the tax credit percentage – not the value of the donation.
 - ✓ The donor must complete the Tax Credit Percentage Agreement form.
- The donor has agreed to accept a tax credit for a reduced percentage and the Tax Credit Percentage Agreement form was not submitted with the CNF.

Common Mistakes

- The donation was made by using the non-profits (third party) credit processing company such as PayPal/Blackbaud Merchants/Network for Good etc., and the administrative fee was not deducted from the donation value listed on the CNF.
 - The administrative fees must be deducted.
 - The NAP organization offers tax credits based on the donation value the organization receives.
 - ✓ The minimum donation value must be met after deducting the administrative fees for the donor to qualify for NAP tax credits.
- A check copy is sent after the stock/marketable securities is sold by the NAP organization as supporting documentation for a stock transaction.
 - A copy of a letter from the brokerage firm is required for this type of transaction; not a copy of the check.
 - ✓ The letter must include: the donor's name, type of stock, number of shares, the value, the name of the NAP organization and date of transfer.

Questions?



If you have questions, call or email the NAP office before mailing CNFs

- Jessica Jones (804) 726-7920
- Wanda Stevenson (804) 726-7924
- Email address: nap@dss.virginia.gov
wanda.stevenson@dss.virginia.gov
jessica.jones@dss.virginia.gov
- The Code of Virginia Sections related to NAP as well as the NAP Regulations can be found at <http://leg1.state.va.us/>

Code of Virginia	§§ 58.1-439.18-24
Administrative Code	22VAC40-41